

**New Program Proposal
Bachelor of Arts
Major in Economics
Coastal Carolina University**

Summary

Coastal Carolina University requests approval to offer a program leading to the Bachelor of Arts degree in Economics, to be implemented in Fall 2009.

The proposed program was approved by Coastal Carolina University's Board of Trustees on February 20, 2009. The Program Planning Summary was received on August 1, 2008, and was reviewed without substantive comment by the Advisory Committee on Academic Programs on October 9, 2008, and approved unanimously. The full proposal was received by the Commission on Higher Education on February 13, 2009.

According to the proposal, there is a growing demand for individuals with a background in economics in the college's service area to meet the needs of the rising permanent population and the tourism sector in the areas of financial and public services and manufacturing. The program proposal indicated that the need for the program is great and growing in the state and in the country, because of the demand for the intellectual skills and knowledge bases associated with an economics degree.

The proposal states that the proposed program will be unique because of the planned service learning component of the curriculum that will build on the University's relationship with the BB&T Center for Economic and Community Development. The program will require a minimum of 120 semester hours of academic coursework. The credit hours will include 37-41 hours in core curriculum, three hours in a freshman graduation requirement (UNIV 110), 13-14 hours in foundation courses, 24 hours in major requirements, 12 credit hours in cognate requirements, and 26-34 hours in electives. The proposed program will use all of the existing economics courses currently offered in Coastal's B.S. in Business Administration degree program with a concentration in Economics. No new courses will be needed for its delivery. The difference between the existing B.S.B.A. with a concentration in Economics and the proposed B.A. in Economics is one of emphasis. The proposed B.A. in Economics will contain no Business Administration courses but will require a variety of courses in the arts and sciences to develop skills and knowledge focused on global understanding and analysis. Coastal Carolina University does not plan to discontinue the concentration in Economics within the B.S.B.A. program. Information from an institutional representative indicated that enrollment in the concentration in Economics within the B.S.B.A. has grown from 11 majors in Fall 2005 to 52 majors in Fall 2008.

Projected new enrollment for the proposed program is 0 students (0 FTE) in the first year, increasing to 10 students (10 FTE) in the second, 10 students (10 FTE) in the third, 12 students (12 FTE) in the fourth, and 13 (13 FTE) in the fifth year of the program's implementation. The institution projects growth of ten percent per year after the first year of the program. If enrollment projections are met, the program will meet the Commission on Higher Education's program productivity standards for enrollment.

The proposal states that no new faculty or support staff will be required to implement the proposed program. The current (5.25 FTE) faculty will staff the major course offerings in both the B.S.B.A. and B.A. programs. However, as enrollment increases, new faculty may be hired to continue to provide the relatively small class environment and to promote the service learning component of the program.

The proposed program will be housed in the Wall College of Business Administration. It will not require any additional physical plant needs or modifications over the first five years of the program's implementation.

The Kimbel Library provides over 1,100 economics titles in online formats through multiple access points, including the statewide PASCAL databases. However, a comparison to three peer institutions of similar size with a degree in Economics indicates that the monographs to support economics need strengthening. In order to reach the peer institution benchmarks, the university would need to acquire an additional 3,433 titles at an average cost of \$57.00 per title. In response to a staff question, an institutional representative indicated that since the establishment of the B.S.B.A. program in Business Administration, Kimbel Library has allocated \$2,753 annually to purchase monographic acquisitions in support of the economics concentration. This amount is in addition to funds available to the Wall College of Business and M.B.A. library acquisitions that can also be used to acquire titles in economics. In 2008-2009 Kimbel Library allocated \$8,786 for monographic acquisitions and an additional amount of \$4,000 for the M.B.A. program. These funds can be used to increase holdings related to the proposed program. Therefore, according to the proposal no new funds will be required for the purchase of library resources.

The Wall College of Business Administration at Coastal Carolina University is accredited by The Association to Advance Collegiate Schools of Business (AACSB). The B.A. in Economics will be housed in the Wall College and come under the AACSB umbrella. The college received a five-year reaccreditation in 2007-2008. The graduates of the economics program are not subject to licensure or certification by any public or private agency.

The institution estimates that the proposed program will not involve any new costs to the institution for the first five years. The program will be implemented without hiring new faculty and support staff or requiring new courses or facilities. In order to achieve

this goal, current faculty members will deliver the B.A. in Economics program by building on the B.S.B.A. program already in place.

Shown below are the estimated Mission Resource Requirement (MRR) costs to the state and new costs not funded by the MRR associated with the implementation of the proposed program for its first five years. Also shown are the estimated revenue projected under the MRR and the Resource Allocation Plan as well as student tuition.

Estimated Program Costs and Revenue

Estimated Program Costs		Estimated Program Revenue					
(A) MRR Cost	(B) Other Costs*	(C) Actual State Funding	(D) Tuition	(E) Additional Revenue	(F) Total Revenue (C+D+E)	(G) Total Revenue - Total Costs (F-(A+B))	
Year 1	\$0	\$0	N/A	\$0	\$0	\$0	\$0
Year 2	\$53,013	\$0	\$0	\$115,764	\$0	\$115,764	\$62,752
Year 3	\$53,013	\$0	\$20,411	\$115,764	\$0	\$136,175	\$83,162
Year 4	\$63,615	\$0	\$20,411	\$138,728	\$0	\$159,139	\$95,524
Year 5	\$68,916	\$0	\$24,552	\$150,210	\$0	\$174,762	\$105,846

*Includes costs of an extraordinary nature not otherwise included in the MRR cost calculation (e.g., costs for a new building required to support a program).

These data demonstrate that there will be no new costs or revenue in the first year of the program and that if Coastal Carolina University can meet the projected student enrollments and contain costs as they are shown in the proposal, the program will be able to cover new costs with revenues it generates beginning in the second year of its implementation.

In summary, Coastal Carolina University proposes to offer a new program leading to a Bachelor of Arts degree in Economics to be implemented in Fall 2009. The proposal demonstrates that there is a growing need in Coastal Carolina University's service area for the proposed new program in Economics. The proposed program will build on the existing concentration in Economics within the B.S.B.A. program which will allow students who are interested in economics but are not business majors access to an economics major. Graduates of the program will be prepared for graduate programs or for work in many different professional arenas.

Recommendation

The Committee on Academic Affairs and Licensing commends favorably to the Commission approval of the program leading to the Bachelor of Arts degree with a major in Economics at Coastal Carolina University, to be implemented in Fall 2009, provided that no “unique cost” or other special state funding be required or requested.